

**DEPARTMENT OF STATE REVENUE
LETTER OF FINDINGS NUMBER: 04-0084 IFTA
International Fuel Tax Agreement (IFTA)
For Years 2000, 2001, AND 2002**

NOTICE: Under IC 4-22-7-7, this document is required to be published in the Indiana Register and is effective on its date of publication. It shall remain in effect until the date it is superseded or deleted by the publication of a new document in the Indiana Register. The publication of this document will provide the general public with information about the Department's official position concerning a specific issue.

ISSUES

I. IFTA – Assessment

Authority: IFTA.VII.R700

The taxpayer protested the department's assessment after an IFTA audit based on insufficient and inadequate documentation.

STATEMENT OF FACTS

Taxpayer operated one qualified recovery vehicle, 3 non-qualified recovery vehicles and one non-qualified service vehicle. The qualified recovery vehicle is a tri-axle tractor used to transport replacement tractors and tow disabled tractors when repairs cannot be made on road. The person that prepared the quarterly IFTA Filings died in February of 2003, prior to the audit. The party presenting records on behalf of the taxpayer was not familiar with the methodology used by the person who originally prepared the documents. The audit found the taxpayer failed to present mileage records relevant to the qualified vehicle or reported mileage amounts, or other relevant records that could be used to reasonably determine actual mileage and fuel information. The audit was adversely affected by severe taxpayer imposed scope limitations. The taxpayer's estimate as to the yearly mileage of the qualified vehicle was accepted, and an assessment for the IFTA liability was prepared from this mileage.

I. IFTA – Assessment

DISCUSSION

The department, pursuant to an IFTA audit, requested taxpayer records pursuant to IFTA Article VII, R700 requirements. Taxpayer protested based on the loss of the party responsible for keeping records. The record keeper, who was also the manager of the business, was diagnosed with a fatal illness and died shortly thereafter. Understandably, the record keeper was less than focused on his responsibilities for IFTA filings during the latter portion of the audit period.

Taxpayer makes no argument aside from this recitation of the circumstances related to the relevant IFTA records. The audit computations have already reflected the department's recognition of the difficulties confronting the taxpayer. The department will also note that the audit period was for three years, and that the records for this entire period were uniformly inadequate.

Consequently, the department concludes that the taxpayer has not provided sufficient information or basis to overturn the audit assessment. Taxpayer does not cite any IFTA provisions to support this protest and fails to provide proof that the assessment was either erroneous or excessive.

FINDINGS

Taxpayer protest denied.